



U.S. Department of Justice

**Stephen J. Murphy
United States Attorney
Eastern District of Michigan**

*Suite 2001
211 West Fort Street
Detroit, Michigan 48226-3277
Fax: (313) 226-3561*

For Immediate Release:

Contact: Gina Balaya (313) 226-9758

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EVENT: Guilty Plea

Defendant: ICD Group Metals, LLC, [ICD]

NEW YORK COMPANY PLEADS GUILTY TO CUSTOMS FRAUD

A commodities trading company from New York City, New York, pleaded guilty today to an information charging it with a criminal violation of the customs laws of the United States, specifically, with Entry of Goods by Means of False Statement, United States Stephen J. Murphy announced today.

Murphy was joined in the announcement by Brian Moskowitz, Special Agent in Charge of the Bureau of Immigration and Customs Enforcement.

Pleading guilty before U.S. District Judge Paul D. Borman in Detroit was ICD Group Metals, LLC, [ICD] located in New York, New York.

The offense involved the importation of industrial goods into the United States from Canada under false pretenses to avoid anti-dumping duties.

According to documents filed in the case, ICD was a commodities trading company which bought and sold, among other things, silicon metal used by industry world-wide. From

September 22 to December 17, 1998, ICD aiding and abetting a Canadian company, Ni-Met Resources of Ontario, imported into the United States through ports at Port Huron, Detroit and Buffalo, New York, 42 shipments of silicon metal originating from the Peoples Republic of China. The goods were, however, disguised, both by their packing and by declarations on importation documents, as the products of South Africa, in order to evade anti-dumping duties of nearly 140% imposed on Chinese silicon metal at that time. By doing so, it is estimated that approximately \$890,000 in duties were evaded.

Under the terms of the plea agreement, ICD paid a total of one million dollars (\$1,000,000) to the government (\$890,000 in restitution to the United States Treasury, Bureau of Customs and Border Protection and an additional \$110,000 to the Department of Treasury Forfeiture Fund). In addition, the Court, at the time of sentencing, may impose a fine of up to \$534,000 and place the company on probation. The company has also agreed to cooperate in the further investigation and prosecution of this matter, and both ICD and its principal member, Menachem Zwick, are subject to further prosecution in the future should they violate this agreement.

“Customs fraud is serious business and the excellent result in this case evidences the seriousness with which we take these sorts of economic crimes”, stated United States Attorney Murphy. “Anyone who thinks of violating federal anti-dumping laws at one of the four eastern Michigan ports should think again: we have an elite cadre of economic crime professionals ready to aggressively prosecute every kind of sophisticated criminal activity imaginable.”

“ICD Group Metals orchestrated a complex scheme to defraud the United States of approximately \$890,000” said Moskowitz, Special Agent in Charge of the ICE Office of Investigations in Detroit. “The guilty plea demonstrates the unique ability of U.S. Immigration and Customs Enforcement to investigate, expose, and bring to justice those who profit by exploiting trade regulations established to protect American industry and consumers.”

A sentencing date will be set by Judge Borman’s chambers.

The investigation of this case was conducted by the United States Bureau of Immigration and Customs Enforcement.